

Message Text

UNCLASSIFIED

PAGE 01 NEW DE 06179 081244Z

47

ACTION EB-07

INFO OCT-01 NEA-09 ISO-00 TRSE-00 CIAE-00 INR-07 NSAE-00

/024 W

----- 065487

P R 081206Z MAY 75

FM AMEMBASSY NEW DELHI

TO SECSTATE WASHDC PRIORITY 8573

INFO USDOC WASHDC

AMCONSUL BOMBAY

AMCONSUL CALCUTTA

AMCONSUL MADRAS

UNCLAS NEW DELHI 6179

E.O. 11652: N/A

TAGS: EMIN IN

SUBJECT: MICA

REF: STATE 106439

1. INFORMATION IN REFTEL CONCERNING NEW GOI MICA EXPORT POLICY IS CORRECT. THE MICA TRADING CORPORATION OF INDIA (MTCL) HAS SHELVED ITS PLANS TO CHANNEL THE ENTIRE EXPORTS OF MICA GRADE "FIVE" AND BELOW. THE CORPORATION HAS RECENTLY ISSUED A REVISED NOTIFICATION ON THE SUBJECT (COPY BEING AIR POUCHED) ACCORDING TO WHICH MTCL WILL PERMIT REGISTERED PRIVATE EXPORTERS TO NEGOTIATE BUSINESS FOR ALL GRADES OF MICA. HOWEVER, OF THE ORDERS OBTAINED BY PRIVATE EXPORTERS, MTCL WILL HAVE THE OPTION TO EXECUTE 40 PERCENT (IN TERMS OF VALUE) FROM ITS STOCKS OR OTHER SOURCES OF SUPPLY.

2. THE REVISED NOTIFICATION ALSO MENTIONS THAT FOREIGN BUYERS, DEALING THROUGH PRIVATE INDIAN EXPORTERS WILL HAVE TO ENTER INTO TWO CONTRACTS WITH MTCL, I.E., THE FIRST REPRESENTING 60 PERCENT (SUPPLIED BY PRIVATE EXPORTERS) AND THE SECOND 40 PERCENT (BY MTCL). EACH CONTRACT WILL BE AGAINST CONFIRMED LETTER OF CREDIT.

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 NEW DE 06179 081244Z

3. WE HAVE BEEN TOLD THAT THE GOI SPENT CONSIDERABLE TIME AND EFFORT IN FORMULATING THE NEW POLICY, WHICH IS DESIGNED TO BRING MORE OF THE SMALL PRODUCERS INTO THE EXPORT MARKET AND RAISE THE LEVEL OF EXPORTS. WE EXPECT THAT THE GOI WILL TRY HARD TO SALVAGE THE NEW POLICY AND WILL ASK US IMPORTERS FOR SPECIFIC EVIDENCE THAT THE PAST SHIPMENTS CHanneled THROUGH THE PUBLIC SECTOR WERE UNSATISFACTORY.

4. WE ARE PREPARED TO CONVEY THE REACTION OF US MICA IMPORTERS AS OUTLINED IN REFTel TO THE GOI, BUT IT IS DOUBTFUL THAT A CHANGE IN POLICY CAN BE BROUGHT ABOUT WITHOUT CONCRETE EVIDENCE OF THE POLICY'S EFFECT, SUCH AS A DROP IN SALES OR CANCELLATION OF ORDERS.SCHNEIDER

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TRADE CONTROLS, MICA
Control Number: n/a
Copy: SINGLE
Draft Date: 08 MAY 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975NEWDE06179
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750161-0961
From: NEW DELHI
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750570/aaaacijn.tel
Line Count: 74
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 75 STATE 106439
Review Action: RELEASED, APPROVED
Review Authority: ShawDG
Review Comment: n/a
Review Content Flags:
Review Date: 16 JUL 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <16 JUL 2003 by BalzMJ>; APPROVED <20 JAN 2004 by ShawDG>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: MICA
TAGS: EMIN, IN
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006